

# Revenue Jersey

## OUR APPROACH TO ACHIEVING COMPLIANCE WITH REVENUE AND OTHER LAWS

Revised June 2023

The Revenue Compliance Strategy covers all of the taxes assigned to the Comptroller of Revenue to administer. It also includes Social Security and Long-Term Contributions and the administration and enforcement of the National Minimum Wage.

We use the terms “taxpayer” and “customer” interchangeably as necessary to encompass those who pay taxes, make contributions, or rely on us for other forms of support.

## 1 Our Approach

Our taxes pay for the services we all enjoy as citizens of Jersey. International data indicates that the majority of taxpayers want to – and do - pay their fair share of tax according to law: they recognise it’s the price for belonging to a safe and fair society with excellent public services.

We aim to create an environment in which everyone can pay their taxes effortlessly. Our approach is based on the best international approaches, tailored to Jersey’s unique culture and particular circumstances.

Tax law is complicated and people can - and do - get things wrong. Some people are careless – even reckless – in declaring their income to the tax authority. And a minority of people knowingly evade paying what they should.

Revenue Jersey seeks to base all its work on a clear understanding of Jersey’s taxpayers; their behaviours; their needs; and the risks of non-compliance they present - be that from innocent error or deliberate act. It has a three-pronged approach towards improving tax compliance based on the “Promote; Prevent; and Respond” model.

**Promote.** For example: promoting good design in our tax systems so that it's harder to get things wrong; promoting understanding of the tax rules through clear and simple guidance; and "nudging" careless or reckless people to take more care - so enabling customers to get it right first time.

**Prevent.** For example, making it as hard as possible for people to get things wrong by providing online filing with in-built sense-checks and prompts when data doesn't match expected patterns and norms or otherwise doesn't look right.

**Respond.** Where necessary, intervening with individual taxpayers or whole groups of taxpayers to correct historic mistakes or wrongdoing; and to help people get things right for the future.

## 2 The Compliance Framework: Policy & Law

Jersey's tax law is old in parts and in need of reform. We are continuing to review all of the key aspects of Jersey's tax-compliance framework and proposing changes to the Treasury Minister which will help improve people's voluntary compliance with tax obligations.

## 3 Promoting "Effortless Compliance"

We will improve

- Information & Communications – to give taxpayers easy access to simple and clear information about how to get their taxes right
- Nudge capabilities – to encourage people to get things right
- Self-Service – over time giving people the capability to manage their personal data and tax affairs online.

## 4 Preventing Error and Underpayment

Our new Revenue Management System will facilitate the provision of new online services that make it less easy for people to get things wrong and which, wherever feasible, use data we already have including, for example, the information we receive from third parties (such as banks) and other countries.

## 5 National Minimum Wage Enforcement

We will usually investigate any complaint from an employee who considers they are not receiving the National Minimum Wage.